

Honorable Stanley A. Bastian

Bruce K. Medeiros
1 DAVIDSON BACKMAN MEDEIROS PLLC
2 601 West Riverside Avenue, Suite 1550
3 Spokane, Washington 99201
4 Telephone: (509) 624-4600
Facsimile: bmedeiros@dbm-law.net

5 Michael R. Johnson (Admitted *Pro Hac Vice*)
RAY QUINNEY & NEBEKER P.C.
6 36 South State Street, Suite 1400
Salt Lake City, Utah 84111
7 Telephone: (801) 532-1500
Email: mjohnson@rqn.com

8
9 *Attorneys for Rabo AgriFinance LLC*

10
11 IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
WASHINGTON, RICHLAND DIVISION

12 RABO AGRIFINANCE LLC, a Delaware
13 limited liability company, fka Rabo
Agrifinance, Inc.,

14 Plaintiff,

15 v.

16
17 KAREN EASTERDAY, as an individual, as
the personal representative of the estate of
18 Gale Easterday, deceased, and the marital
community of Karen Easterday and Gale
19 Easterday; CODY EASTERDAY and
DEBBY EASTERDAY, individually and the
20 marital community thereof; and JODY
EASTERDAY, individually and the marital
21 community of Jody Easterday and Andrew H.
22 Wills,
23

24 Defendants.
25

Civil Case No. 21-CV-05066

JOINT MOTION TO STAY
PROCEEDING

Joint Motion to Stay Proceeding

DAVIDSON BACKMAN MEDEIROS
ATTORNEYS AT LAW
A PROFESSIONAL LIMITED LIABILITY COMPANY
1550 BANK OF AMERICA FINANCIAL CENTER
601 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201
FACSIMILE: (509) 623-1660
(509) 624-4600

Plaintiff Rabo AgriFinance LLC (“Rabo”) and remaining Defendants Karen
1 Easterday, Cody Easterday, Debby Easterday and Jody Easterday (collectively,
2 “Defendants”), through their respective undersigned counsel, hereby jointly move
3 the court for an order staying these proceedings, including any deadline to answer
4 or otherwise respond to the Amended Complaint on file herein, until the earlier of
5 (i) December 31, 2021, or (ii) the Effective Date (as defined in the Plan) of the
6 Chapter 11 Plan confirmed in the Bankruptcy Proceeding (defined below), as
7 provided in the attached Stipulation Regarding Withdrawal of Adversary
8 Proceeding Without Prejudice and Resolving Motion for TRO (“Stipulation”) filed
9 on August 20, 2021, ECF No. 25, in the Adversary Proceeding Case No. 21-80044
10 entitled Easterday Ranches, Inc. and Easterday Farms v. Rabo AgriFinance LLC
11 (“Adversary Proceeding”), which Adversary Proceeding arises out of the Jointly
12 Administered Lead Case No. 21-00141 entitled In re: Easterday Ranches, Inc. and
13 Easterday Farms (“Bankruptcy Proceeding”).

14
15 The Order Approving the Stipulation was entered in the Adversary
16 Proceeding on August 24, 2021, ECF No. 27.

17
18 On September 30, 2021 the parties in the Adversary Proceeding filed a
19 Stipulation of Dismissal Pursuant to FRCP 41(a)(1)(A)(ii), ECF No. 30. The
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Joint Motion to Stay Proceeding - 1

DAVIDSON BACKMAN MEDEIROS
ATTORNEYS AT LAW
A PROFESSIONAL LIMITED LIABILITY COMPANY
1550 BANK OF AMERICA FINANCIAL CENTER
601 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201
FACSIMILE: (509) 623-1660
(509) 624-4600

Order Dismissing Adversary Proceeding Without Prejudice, ECF No. 32, was
1 entered on September 9, 2021.

2 Also pursuant to the terms in the Stipulation, on September 3, 2021 counsel
3 for Rabo sent to the Franklin County Auditor for recording a Partial Release of
4 Mortgage and a Satisfaction of Mortgage as provided in the Stipulation.
5

6 The Partial Release of Mortgage relates solely to Parcel B as identified in
7 Exhibit A of the 2009 Mortgage and defined in the Complaint for Judicial
8 Foreclosure of Mortgages, and for Money Judgment based on RCW 25.05.125
9 (“Complaint”) filed April 21, 2021. ECF No. 1.
10
11

12 The Satisfaction of Mortgage relates to the 2018 Mortgage as defined in the
13 Complaint.
14

15 Pursuant to the Stipulation, Rabo was to prepare and file an amended
16 complaint which removed the 2018 Mortgage and Parcel B of the 2009 Mortgage
17 from Rabo’s claims, and further removed 3E Properties as a party defendant. As
18 contemplated by the Stipulation, Rabo filed its Amended Complaint for Judicial
19 Foreclosure of Mortgages, and for Money Judgment based on RCW 25.05.125
20 (“Amended Complaint”) on September 3, 2021, ECF No. 30.
21
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23 The purpose of this Joint Motion is to now request an order staying this
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action until the earlier of (i) December 31, 2021 or (ii) the Effective Date of a
1 Chapter 11 Plan confirmed in the Bankruptcy Proceeding, as defined in said plan,
2 in accordance with the Stipulation and agreement of the parties to this action as set
3 forth herein. Assuming the court is willing to grant the relief requested in this
4 Joint Motion, the parties represent that promptly upon the termination of said stay,
5 they will promptly alert the Court of that fact and request that this case be placed
6 back upon the active calendar.
7

8 Based on the foregoing, the parties believe good cause exists to grant the
9 requested relief staying this action as requested herein.
10

11 DATED this 10th day of September 2021.
12

13 DAVIDSON BACKMAN MEDEIROS
14 PLLC
15

16 /s/ Bruce K. Medeiros
17 Bruce K. Medeiros, WSB No. 16380
18 601 West Riverside Avenue, Suite 1550
19 Spokane, Washington 99201
20 Telephone: (509) 624-4600
21 Email: bmedeiros@dbm-law.net
22 Attorneys for Rabo AgriFinance LLC
23
24
25

RAY QUINNEY & NEBEKER P.C.

1 */s/ Michael R. Johnson*
2 Michael R. Johnson (Admitted *Pro Hac*
3 *Vice*)
4 36 South State Street, Suite 1400
5 Salt Lake City, Utah 84111
6 Telephone: (801) 532-1500
7 Email: mjohnson@rqn.com
8 *Attorneys for Rabo AgriFinance LLC*

9
10
11
12 JORDAN RAMIS PC
13
14
15

16 *Electronically approved September 9, 2021*
17 Russell D. Garrett, WSBA No. 18657
18 Daniel L. Steinberg, WSBA No. 30080
19 1499 SE Tech Center Place, Suite 380
20 Vancouver, Washington 98683
21 Telephone: (360) 567-3900
22 Emails: russell.garrett@jordanramis.com
23 daniel.steinberg@jordanramis.com
24 *Attorneys for Jody Easterday*
25

16 GATENS GREEN WEIDENBACH PLLC
17
18
19
20
21
22
23
24
25

26 *Electronically approved September 8, 2021*
27 Michelle A. Green, WBA No. 40077
28 305 Aplets Way / P.O. Box 523
29 Cashmere, Washington 98815-0523
30 Telephone: (509) 888-2144
31 Email: michelle@ggw-law.com
32 *Attorneys for Jody Easterday*
33
34
35

Joint Motion to Stay Proceeding - 4

DAVIDSON BACKMAN MEDEIROS
ATTORNEYS AT LAW
A PROFESSIONAL LIMITED LIABILITY COMPANY
1550 BANK OF AMERICA FINANCIAL CENTER
601 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201
FACSIMILE: (509) 623-1660
(509) 624-4600

SUSSMAN SHANK LLP

1 Electronically approved September 9, 2021

2 Jeffrey C. Misley, WSBA No. 33397

3 Laurie R. Hager, WSBA No. 38643

4 Thomas W. Stilley, WSBA No. 21718

5 1000 SW Broadway, Suite 1400

6 Portland, Oregon 97205

7 Telephone: (503) 227-1111

8 Emails: jmisley@sussmanshank.com

9 lhager@sussmanshank.com

10 tstilley@sussmanshank.com

11 *Attorneys for Cody and Debby Easterday*

TONKON TORP LLP

12 Electronically approved September 9, 2021

13 Timothy J. Conway, WSBA No. 52204

14 888 SW Fifth Avenue, Suite 1600

15 Portland, Oregon 97204

16 Telephone: (503) 802-2027

17 Email: tim.conway@tonkon.com

18 *Attorneys for Karen L. Easterday*

1 ARMAND J. KORNFELD (WSBA #17214)
 2 THOMAS A. BUFORD (WSBA #52969)
 3 RICHARD B. KEETON (WSBA #51537)
 4 BUSH KORNFELD LLP
 5 601 Union Street, Suite 5000
 6 Seattle, WA 98101
 Tel.: (206) 292-2110
 Facsimile: (206) 292-2104
 Emails: jkornfeld@bskd.com,
 tbuford@bskd.com, and rkeeton@bskd.com

HON. WHITMAN L. HOLT

7 RICHARD M. PACHULSKI (CA Bar #90073)*
 8 JEFFREY W. DULBERG (CA Bar #181200)*
 9 JASON H. ROSELL (CA Bar #269126)*
 PACHULSKI STANG ZIEHL & JONES LLP
 10 10100 Santa Monica Blvd., 13th Floor
 Los Angeles, CA 90067-4003
 11 Tel: (310) 277-6910
 Facsimile: (310) 201-0760
 12 Emails: rpachulski@pszjlaw.com,
 jdulberg@pszjlaw.com, and
 jrosell@pszjlaw.com

*Admitted *Pro Hac Vice*

*Proposed Attorneys for the Plaintiffs and
 Chapter 11 Debtors and Debtors in Possession*

15 UNITED STATES BANKRUPTCY COURT
 EASTERN DISTRICT OF WASHINGTON

16 In re

17 EASTERDAY RANCHES, INC., *et al.*
 18
 19 Debtors.¹

Chapter 11

Lead Case No. 21-00141-11
 Jointly Administered

20 EASTERDAY RANCHES, INC.,

Adv. Proc. No. 21-80044-11

21 Plaintiff,
 22 vs.

**STIPULATION AMONG DEBTORS
 AND RABO AGRIFINANACE LLC
 REGARDING WITHDRAWAL OF
 ADVERSARY PROCEEDING
 WITHOUT PREJUDICE**

23 RABO AGRIFINANCE, LLC,

24 Defendant.

25 ¹ The Debtors along with their case numbers are as follows: Easterday Ranches, Inc., (21-
 26 00141) and Easterday Farms, a Washington general partnership (21-00176).

27 DOCS_NY:43888.3 20375/003

28 **STIPULATION AMONG DEBTORS
 AND RABO AGRIFINANACE LLC
 REGARDING WITHDRAWAL OF
 ADVERSARY PROCEEDING
 WITHOUT PREJUDICE – Page 1**

PACHULSKI STANG
 ZIEHL & JONES LLP
 10100 Santa Monica Blvd., 13th Flr.
 Los Angeles, CA 90067-4003
 Telephone (310) 277-6910
 Facsimile (310) 201-0760

BUSH KORNFELD LLP
 LAW OFFICES
 601 Union St., Suite 5000
 Seattle, Washington 98101-2373
 Telephone (206) 292-2110
 Facsimile (206) 292-2104

1 **WHEREAS**, on February 1, 2021, Easterday Ranches, Inc. (“Ranches”) filed a
2 voluntary petition for relief under chapter 11 of Title 11 of the United States Code (the
3 “Bankruptcy Code”) before the United States Bankruptcy Court for the Eastern District
4 of Washington, Yakima Division (the “Bankruptcy Court”).
5

6 **WHEREAS**, on February 8, 2021, Easterday Farms, a Washington general
7 partnership (“Farms” and together with Ranches, the “Debtors”) filed a voluntary
8 petition for relief under chapter 11 of the Bankruptcy Code.
9

10 **WHEREAS**, Farms, Ranches, Cody Easterday (“CE”), Karen Easterday (“KE”)
11 (in her individual capacity and as the representative of Gale Easterday,²), and Debby
12 Easterday (“DE” and together with CE and KE, the “Easterday Partners”), entered into
13 that certain *Stipulation By and Between Debtors and Non-Debtor Sellers Regarding*
14 *Cooperation with Respect to the Sale of Debtor and Non-Debtor Assets* (the
15 “Cooperation Agreement”).
16

17 **WHEREAS**, on April 28, 2021, the Bankruptcy Court entered an order
18 approving the Debtors’ entry into the Cooperation Agreement [Docket No. 655].
19

20 **WHEREAS**, pursuant to the terms of the Cooperation Agreement, among other
21 things, the Easterday Partners are required to cooperate with the Debtors in connection
22 with the sale of certain real property, and the Debtors are required to enter into a
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² Gale Easterday passed away on December 10, 2020.

27 DOCS_NY:43888.3 20375/003

28 STIPULATION AMONG DEBTORS
AND RABO AGRIFINANACE LLC
REGARDING WITHDRAWAL OF
ADVERSARY PROCEEDING
WITHOUT PREJUDICE – Page 2

PACHULSKI STANG
ZIEHL & JONES LLP
10100 Santa Monica Blvd., 13th Flr.
Los Angeles, CA 90067-4003
Telephone (310) 277-6910
Facsimile (310) 201-0760

BUSH KORNFIELD LLP
LAW OFFICES
601 Union St., Suite 5000
Seattle, Washington 98101-2373
Telephone (206) 292-2110
Facsimile (206) 292-2104

1 stipulation or otherwise obtain an injunction with respect to any party taking action to
 2 enforce rights or remedies against property or assets of the Easterday Partners.
 3 Moreover, pursuant to the Cooperation Agreement, the Debtors and Easterday Partners
 4 are required to negotiate in good faith an allocation protocol in connection with the
 5 proceeds from the sale of real property
 6

7 **WHEREAS**, Rabo AgriFinance, LLC (“Rabo”) asserts interests in the property
 8 or assets of the Easterday Partners.

9 **WHEREAS**, Rabo filed that certain Complaint for Judicial Foreclosure of
 10 Mortgages, and for Money Judgment Based on RCW 25.05.125 (the “Rabo 3E
 11 Complaint”) in a proceeding captioned *Rabo Agrifinance LLC, Plaintiff v. 3E*
 12 *Properties et. al. Defendants*, Case No. 21-cv- 05066, pending in the District Court for
 13 the Eastern District of Washington, Richland (the “Rabo 3E Proceeding”).
 14

15 **WHEREAS**, the Rabo Complaint contains a “First Cause of Action” against
 16 Karen Easterday,³ Cody Easterday and Debby Easterday (together the “Easterday
 17 Individuals”), and a “Second Cause of Action” against the Easterday Individuals, Jody
 18 Easterday and 3E Properties.
 19

20 ³ Karen Easterday is named individually and in her capacity as representative of the
 21 estate of Gale Easterday.
 22

1 **WHEREAS**, on June 28, 2021, Debtors filed a complaint initiating this adversary
 2 proceeding (the “Rabo Adversary”) against Rabo seeking, among other things, to enjoin
 3 any proceedings by Rabo, including in connection with the Rabo 3E Proceeding, to
 4 enforce or collect any obligations against the Easterday Partners.

5 **WHEREAS**, contemporaneously with the filing of the Complaint, the Debtors
 6 filed their *Motion for a Temporary Restraining Order and Preliminary Injunction*
 7 [Docket No. 2] (the “TRO Motion”), together with a *Memorandum of Law* [Docket No.
 8 3] and *Declaration of T. Scott Avila* [Docket No. 4] in support of the TRO Motion.

9 **WHEREAS**, in consideration for Rabo agreeing to stay the proceedings in the
 10 Rabo 3E Complaint on the terms described below and entering into this Stipulation, the
 11 Debtors are willing to dismiss the Rabo Adversary without prejudice and to withdraw
 12 the TRO Motion.

13 **Based on the foregoing recitals, the Parties hereby stipulate and agree as
 14 follows:**

15 1. Stay of Proceedings. Rabo agrees that it will stay the Rabo 3E Proceeding,
 16 including staying any deadline of any defendant pursuant to the Rabo 3E Complaint to
 17 answer or otherwise respond to the Rabo 3E Complaint until the earlier of (i) December
 18 31, 2021, or the (ii) Effective Date (as defined in the Plan) of a plan of liquidation
 19 confirmed in the Debtors’ cases (the “Plan”).

20 DOCS_NY:43888.3 20375/003

21 **STIPULATION AMONG DEBTORS
 22 AND RABO AGRIFINANACE LLC
 23 REGARDING WITHDRAWAL OF
 24 ADVERSARY PROCEEDING
 25 WITHOUT PREJUDICE – Page 4**

26
 27 PACHULSKI STANG
 28 ZIEHL & JONES LLP
 10100 Santa Monica Blvd., 13th Flr.
 Los Angeles, CA 90067-4003
 Telephone (310) 277-6910
 Facsimile (310) 201-0760

29 BUSH KORNFIELD LLP
 30 LAW OFFICES
 31 601 Union St., Suite 5000
 32 Seattle, Washington 98101-2373
 33 Telephone (206) 292-2110
 34 Facsimile (206) 292-2104

1 2. Amendment to Rabo 3E Complaint and Release of Certain Liens. Within
 2 10 days after entry of an order approving this Stipulation, Rabo agrees that it will amend
 3 the Rabo 3E Complaint to eliminate the causes of action as they relate to the foreclosure
 4 of the 2018 Mortgage and Parcel B of the 2009 Mortgage (each as defined in the Rabo
 5 3E Complaint). Within a reasonable time following entry of an order approving this
 6 Stipulation, Rabo shall file a release of the 2018 Mortgage and a partial release of the
 7 2009 Mortgage as to Parcel B only.

8 3. Withdrawal of Rabo Adversary Proceeding. Promptly following entry of
 9 an order approving this Stipulation, the Debtors shall dismiss the Rabo Adversary and
 10 withdraw the TRO Motion, both without prejudice.

11 4. Binding Effect. This Stipulation shall be binding upon the Parties hereto,
 12 their successors, assigns, affiliates, officers, directors, shareholders, partners, investors,
 13 members, employees, agents, and professionals, including any chapter 7 trustee
 14 appointed in the Debtors' cases.

15 5. Jurisdiction. The Bankruptcy Court shall retain sole and exclusive
 16 jurisdiction to hear and determine all matters arising from or relating to the
 17 interpretation and/or enforcement of this Consent, provided, however, that the District
 18 Court shall have jurisdiction over any motion filed pursuant to 28 U.S.C. § 157.

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28 STIPULATION AMONG DEBTORS
 AND RABO AGRIFINANACE LLC
 REGARDING WITHDRAWAL OF
 ADVERSARY PROCEEDING
 WITHOUT PREJUDICE – Page 5

PACHULSKI STANG
 ZIEHL & JONES LLP
 10100 Santa Monica Blvd., 13th Flr.
 Los Angeles, CA 90067-4003
 Telephone (310) 277-6910
 Facsimile (310) 201-0760

BUSH KORNFIELD LLP
 LAW OFFICES
 601 Union St., Suite 5000
 Seattle, Washington 98101-2373
 Telephone (206) 292-2110
 Facsimile (206) 292-2104

1
2 **IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD**
3
4

5 /s/ THOMAS A. BUFORD
6 THOMAS A. BUFORD (WSBA #52969)
7 BUSH KORNFELD LLP

8 RICHARD M. PACHULSKI (admitted *pro hac vice*)
9 JEFFREY W. DULBERG (admitted *pro hac vice*)
10 JASON H. ROSELL (admitted *pro hac vice*)
11 PACHULSKI STANG ZIEHL & JONES LLP

12 *Attorneys for Plaintiffs and Debtors and Debtors in Possession*

13 Stipulated by:

14 /s/ MICHAEL R. JOHNSON
15 DAVID H. LEIGH (WSBA #40031)
16 MICHAEL R. JOHNSON (admitted *pro hac vice*)
17 RAY QUINNEY & NEBEKER P.C.

18 *Attorneys for Defendant Rabo Agrifinance LLC*

19 DOCS_NY:43888.3 20375/003

20 **STIPULATION AMONG DEBTORS**
21 **AND RABO AGRIFINANACE LLC**
22 **REGARDING WITHDRAWAL OF**
23 **ADVERSARY PROCEEDING**
24 **WITHOUT PREJUDICE – Page 6**

25 PACHULSKI STANG
26 ZIEHL & JONES LLP
27 10100 Santa Monica Blvd., 13th Flr.
28 Los Angeles, CA 90067-4003
Telephone (310) 277-6910
Facsimile (310) 201-0760

BUSH KORNFELD LLP
LAW OFFICES
601 Union St., Suite 5000
Seattle, Washington 98101-2373
Telephone (206) 292-2110
Facsimile (206) 292-2104